



Public Service Commission

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Rory M. Christian, Chair

Contact:

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

<http://www.dps.ny.gov>

<http://twitter.com/NYSDPS>

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PSC Approves New Rules for Customer Credits and Reimbursements

Nearly 570 NYSEG Customers Receive Storm-Related Bill Credits Due to April Storm

ALBANY — The New York State Public Service Commission (Commission) today implemented new rules that require certain electric and gas companies to compensate residential and small business customers who have experienced widespread prolonged service outages.

“Our decision today provides a remedial payment framework for widespread and prolonged service outages,” **said Commission Chair Rory M. Christian.** “Consumers will now be eligible to receive compensation in the event of widespread service outages lasting longer than three days, which is good news for all consumers and will help ensure utilities do their best to restore service as quickly and as safely as possible.”

The Commission action adopted rules to implement a new provision of the Public Service Law, Section 73, effective April 21, 2022, that requires Consolidated Edison Company of New York, Inc.; Orange and Rockland Utilities, Inc.; Central Hudson Gas & Electric Corporation; The Brooklyn Union Gas Company d/b/a National Grid NY; KeySpan Gas East Corporation d/b/a National Grid; Niagara Mohawk Power Corporation d/b/a National Grid; New York State Electric & Gas Corporation (NYSEG); Rochester Gas and Electric Corporation; National Fuel Gas Distribution Corporation; Corning Natural Gas Corporation; Valley Energy, Inc., and Liberty Utilities (St. Lawrence Gas) Corp. to compensate customers who have experienced widespread prolonged electric or gas service outages. The new law required the Commission to promulgate procedures, standards, methodologies, and rules, and define specific terms, including widespread prolonged outage, small business customer, and proof of loss.

Further, the new law requires utility companies to provide residential customers with a credit of \$25 on the balance of their bill for each 24 hour period of service outage that occurs for more than 72 consecutive hours after a widespread prolonged outage; with a reimbursement up to \$235 if the residential customer provides an itemized list, or up to \$540 if the customer provides proof of loss, for any food that spoils due to a widespread service outage that lasts longer than 72 consecutive hours; and reimbursement for prescription medications that have spoiled up to the amount of the actual loss. The law also requires utility companies to reimburse small business customers up to \$540 for food spoiled, if the customer provides an itemized list and proof of loss.

Both residential and small business customers are to provide the utility with their spoilage claims within 14 days of the outage and the utilities are to provide reimbursement within 30 days of receipt, or within a time-period determined by the Commission if the utility seeks a waiver of the credit or reimbursement. Any costs incurred by the utility in compliance with this section are not recoverable

from ratepayers. Additionally, utilities may petition the Commission for waiver of the requirements of the new law. The utility must demonstrate that granting of the waiver is fair, reasonable and in the public interest. The Long Island Power Authority board will be considering the issue separately.

Meanwhile, in a separate declaratory ruling decision, the Commission addressed the application of the new law to service outages that followed an April 18, 2022 snowstorm in the NYSEG service territory.

That snowstorm caused widespread service outages within NYSEG's service area, impacting over time approximately 230,000 customer accounts. According to the utility, by the end of April 23, 2022, all customer service outages had been restored. However, the new law took effect April 21, 2022. In light of the unique and specific factual chronology regarding this particular outage event and the statute's effective date, the Commission found that the 72-hour outage period — which must pass before a utility will be required to reimburse residential and small business customers for spoiled food and medicine — began to run on the effective date of the new law. That 72-hour statutory prerequisite period would have concluded at 11:59PM on April 23, 2022.

Although NYSEG contended that the new law should not apply to the April snowstorm and resulting outages, the Commission notes that NYSEG recognized the inconvenience associated with extended outages. NYSEG voluntarily and proactively agreed to provide \$25 credits to 569 NYSEG customers who were without electric service for each 24-hour period beyond 72 hours following the loss of electric service after the onset of the April 18, 2022 storm — and a potential additional \$25 credit for each additional continuing 24-hour outage period. Customers who believe they are eligible for the credit, and did not receive one, should contact NYSEG directly.

Today's decisions may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Numbers 22-M-0159 [Implementation of PSL Section 73] and 22-E-0301 [NYSEG storm event] in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.